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## THE SITUATION IN SOUTH VIETNAM (Information as of 1000 EDT)

1. There are further indications that the Diem regime's position toward basic differences with the US is unyielding. Yesterday, the Times of Vietnam, English-language mouthpiece for the Nhus, editorially defended the role of the Special Forces in rescuing the country from a "subversive plot" and in saving the Buddhist religion. It said that whoever "raided" the pagodas deserved decorations instead of castigations and whoever "masterminded" the act merited the name of patriot.

Cach Mang Quoc Gia, vernacular press organ of the government's mass political organization, said today that the Vietnamese people are extremely indignant over the abusive activities of US newsmen in South Vietnam. The paper deplored US Government efforts to shield newsmen allegedly involved in plotting against the Diem government. It urged the Vietnamese Government to deal harshly with them, "in the same way as the Algerian Government has just acted vis-a-vis six foreign newsmen"--presumably implying expulsion.

(This view contrasts with the ostensibly cooperative attitude of Acting Foreign Minister Cuu during a discussion with Ambassador Lodge yesterday. When Lodge proposed that the Vietnamese Government investigate the complaints of three US newsmen who were beaten recently by plainclothesmen, Cuu requested a detailed memorandum on the incident, specifying extent of personal injuries and property loss.)

2. The administrator general of South Vietnam's National Assembly told an embassy official yesterday that the new assembly may discontinue discussions on amending Decree 10. This decree discriminates against Buddhist organizations in some matters such as property rights and is one of the five specific Buddhist complaints against the government.

US observer that better treatment was still attracting

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tribesmen to the government side. |
that the tribesmen have either not heard about or
do not understand the Buddhist-student crisis. He
said, however, that the issue has affected the morale of civil and military officials in his province,
who believe Diem has lost power to the Nhus.

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groups were agitating for the overthrow of the regime, with encouragement from their parents and some promises of military support. One of these groups was described as pro-American and composed largely of children of refugee families from North Vietnam. Another group was largely composed of central Vietnamese with some political ties. The third, largely native southerners, was said to be largely responsible for recent propaganda leaflets and to be heavily infiltrated by Communists.

- 5. The US Embassy feels that Sihanouk's abusive attacks on the Ngo family and his mention of Cambodian territorial claims to South Vietnam, together with South Vietnam's concern over Viet Cong use of Cambodian sanctuaries and supply lines, could provoke retaliatory action, such as closing the Mekong River to Cambodian shipping.
- has reported that the Viet Cong claim to have received 42 antiaircraft weapons from Communist China. This unconfirmed information is the first report that the Viet Cong have conventional antiaircraft automatic weapons larger than machineguns. The number of guns claimed is probably exaggerated and is almost certainly a propaganda ploy.
- 7. Peiping's People's Daily on 17 October picked up and endorsed Hanoi's objection to the forthcoming UN observer mission to South Vietnam as another means of sabotaging the 1954 Geneva accords. The paper repeated Hanoi's contention that South Vietnam's troubles would be solved by the withdrawal of US forces.

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